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PP RUEHBZ RUEHDU RUEHGI RUEHJO RUEHMA RUEHMR RUEHPA RUEHRN RUEHTRO
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FM AMEMBASSY KIGALI
TO RUEHC/SECSTATE WASHDC PRIORITY 4090
INFO RUEHZO/AFRICAN UNION COLLECTIVE PRIORITY
RUEHJB/AMEMBASSY BUJUMBURA 0051
RUEHDR/AMEMBASSY DAR ES SALAAM 0864
RUEHKM/AMEMBASSY KAMPALA 1591
RUEHKI/AMEMBASSY KINSHASA 0206
RUEHNR/AMEMBASSY NAIROBI 0851
RUEHFR/AMEMBASSY PARIS 0229
RUEATRS/DEPT OF TREASURY WASHDC

UNCLAS KIGALI 000406

SIPDIS

SENSITIVE SIPDIS

E.O. 12958: N/A

TAGS: <u>EAID</u> <u>ECON</u> <u>EFIN</u> <u>MOPS</u> <u>PGOV</u> <u>PREL</u> <u>RW</u>

SUBJECT: AMIS NON-PAYMENT JEOPARDIZES RWANDAN INVOLVEMENT

IN DARFUR

REF: KIGALI 340

- 11. (U) The African Union continues to owe the GOR approximately USD 20 million, which amounts to 0.7% of GDP, for funds expended in the African Union Mission in Sudan (AMIS).
- 12. (SBU) The IMF, during the latest Poverty Reduction Growth Facility (PRGF) mission to Rwanda, advised the GOR to consider reducing their engagement and to eventually pull out of the African Union (AU) mission, as this increased debt threatens Rwanda's macroeconomic stability.
- 13. (SBU) In the new memorandum of understanding (MOU) the GOR will sign with the IMF on the PRGF, the Minister of Finance has agreed to cut spending (presumably to match the missing USD 20 million) if the AU does not honor its reimbursement obligation.
- 14. (SBU) COMMENT. Although there does not appear to be an IMF-imposed timeline for action by the GOR, the non-payment from the AU for Rwanda's peace keeping mission in Darfur could have grave implications for Rwanda and AMIS. Either the GOR will have to cut the equivalent of 3% of their already-small budget or the GOR will end up withdrawing its three battalions from Darfur. ARIETTI